

## 6. Housing Plan

This section of the Housing Element sets out the City's long-term housing goals and identifies a menu of shorter-term objectives, policy positions, and programs to achieve the long-term goals. The goals, objectives, policies, and programs comprise a broad-based Housing Plan for the creation of housing opportunities throughout the City. Through this Housing Plan the City demonstrates its understanding of the magnitude of the housing problem, as well as its commitment of City resources to providing the necessary solutions.

### Fiscal Considerations

While the City affirms its commitment towards meeting the community's housing needs, it is nevertheless incumbent on the City to acknowledge that the Housing Plan is but one of a large number of programs competing for the finite fiscal resources of the City. As such, it is not possible to subject this Housing Plan to strict budgetary scrutiny. In addition, there may be legal requirements affecting future encumbrances of funds, as well as demands in other areas requiring the City to make difficult decisions on budgetary priorities.

### Defining Goals and Policies

The Goals and Policies section of the Housing Plan establishes a policy framework to guide City decision making to meet identified goals. The housing programs outlined later represent actions the City of Carlsbad will undertake to promote housing opportunities for all segments of the community.

The housing **Goals** are articulated as a general "end condition statement", which states a desired outcome. The Goals do not contain an action verb as they reflect a final statement of what the City will hope to achieve. How the goal will be achieved is established via the subordinate policies and programs.

**Policies** are statements on the position the City takes to implement an objective. Policies contained in the Housing Element are important statements as they reflect the City's official position on a matter. Future development must be consistent with these policies.

### Designing Housing Programs

The housing goals and policies address Carlsbad's identified housing needs, and are implemented through a series of housing programs offered by the City. Housing programs define the specific actions the City will undertake to achieve the stated goals and policies. Each program identifies the following:

**Funding:** Indicates the sources of funds to be used for each program. When these funds become unavailable, implementation of these programs may not be possible.

**Lead Agency:** Indicates the agency, department or authority responsible for the program. When more than one agency is listed it is a joint or cooperative effort. The Housing Authority means the City Council authority over any housing program, the administration and actual staffing of which is to be carried out by the Housing and Redevelopment Department.

**Objectives:** Indicates the specific objectives to be achieved. Whenever possible, the objectives would be quantified.

**Time Frame:** Indicates the time span for the programs and target year for specific accomplishments or milestones. Unless otherwise stated, the time frame for program implementation is July 1, 2005 through June 30, 2010.

## **A. Goals, Policies, and Programs**

### **Preservation**

Preserving the existing housing stock and avoiding deterioration that often leads to the need for substantial rehabilitation is one of the City's goals. In addition, it is important to preserve affordable housing units in the community to maintain adequate housing opportunities for all residents.

**Goal 1:** Carlsbad's existing housing stock preserved, rehabilitated, and improved with special attention to housing affordable to lower-income households.

**Policy 1.1:** Withhold approval of requests to convert existing rental units to condominiums when the property contains households of low and moderate income, unless findings can be made that a reasonable portion of the units will remain affordable, and the City has met its need for affordable housing stock for lower and moderate income groups.

**Policy 1.2:** Set aside approximately 20 percent of the rental units acquired by the City, Redevelopment Agency, or Housing Authority for rehabilitation purposes for households in the very low income range.

**Policy 1.3:** Target City, Redevelopment Agency, or Housing Authority provision of rehabilitation assistance and assistance to homeowners of low income, special needs and senior households in that priority.

**Policy 1.4:** Monitor status of assisted rental housing and explore options for preserving the units "at risk" of converting to market-rate housing.

**Policy 1.5:** Seek to reduce or eliminate net loss of existing mobile home rental opportunities available to lower and moderate income households.

**Policy 1.6:** Aim to retain and preserve the affordability of mobile home parks.

**Policy 1.7:** Survey residential areas periodically to identify substandard and deteriorating housing in need of replacement or rehabilitation.

**Policy 1.8:** Provide rehabilitation assistance, loan subsidies, and rebates for lower-income households, persons of special needs, and senior homeowners to rehabilitate deteriorating homes.

**Policy 1.9:** Acquire rental housing from private owners as feasible utilizing various local, state, and federal funding sources, and rehabilitate deteriorated structures if needed. If acquisition is not feasible, provide incentives to property owners to rehabilitate deteriorating rental units that house lower income households.

### **Program 1.1: Condominium Conversion**

The City will continue to discourage and/or restrict condominium conversions when such conversions would reduce the number of low or moderate income housing units available throughout the City. All condominium conversions are subject to the City's Inclusionary Housing Ordinance; the in-lieu fees or actual affordable units required by the ordinance would be used to mitigate the loss of affordable rental units from the City's housing stock.

**Funding:** Inclusionary Housing In-Lieu Fee

**Lead Agency:** Planning Department

**Objectives and Time Frame:**

- Continue implementation of the Inclusionary Housing Ordinance and impose inclusionary housing requirements on condominium conversions.

### **Program 1.2: Mobile Home Park Preservation**

The City will continue to implement the City's Residential Mobile Home Park zoning ordinance (Municipal Code 21.37) that sets conditions on changes of use or conversions of Mobile Home Parks.

The City will also assist lower income tenants to research the financial feasibility of purchasing their mobile home parks so as to maintain the rents at levels affordable to its tenants.

**Funding:** Housing Trust Fund, State grants and loans

**Lead Agency:** Planning Department, Housing and Redevelopment Department

**Objectives and Time Frame:**

- Continue to regulate the conversion of mobile home parks in Carlsbad.
- Provide information to mobile home park tenants regarding potential tenant purchase of parks and assistance available.

**Program 1.3: Acquisition/Rehabilitation of Rental Housing**

The City will continue to provide assistance to preserve the existing stock of low and moderate income rental housing, including:

- Provide loans, grants, and/or rebates to owners of rental properties to make needed repairs and rehabilitation.
- Acquire and rehabilitate rental housing that is substandard, deteriorating or in danger of being demolished. Set-aside at least 20 percent of the rehabilitated units for very low income households.
- Provide deferral or subsidy of planning and building fees, and priority processing.

Priority will be given to housing identified by the Building Department as being substandard or deteriorating, and which houses lower income and in some cases moderate income households.

**Funding:** State grants and loans, Redevelopment Housing Set-Aside, CDBG

**Lead Agency:** Housing and Redevelopment Department, Building Department

**Objectives and Time Frame:**

- Assist in the acquisition and/or rehabilitation of 50 rental housing units between 2005 and 2010.
- Contact nonprofit housing developers annually to explore opportunities for acquisition/rehabilitation of rental housing.
- Publicize City funding available for acquisition/rehabilitation activities on City website.

**Program 1.4: Rehabilitation of Owner-Occupied Housing**

As the housing stock ages, the need for rehabilitation assistance may increase. The City will provide assistance to homeowners to rehabilitate deteriorating housing. Energy conservation improvements are eligible activities under the City's rehabilitation assistance. Assistance will include financial incentives in the form of low interest and deferred payment loans, and rebates. Households targeted for assistance include lower-income and special needs (disabled, large, and senior) households.

**Funding:** Redevelopment Housing Set-Aside, CDBG, State loans and grants

**Lead Agency:** Housing and Redevelopment Department

**Objectives and Time Frame:**

- Assist in the rehabilitation of 25 owner-occupied housing units between 2005 and 2010.

**Program 1.5: Preservation of At-Risk Housing**

One project – Seascapes Village – within the City may be considered as at risk. This project has deed restrictions on 42 units that are set to expire January 1, 2009.

**Funding:** Redevelopment Housing Set-Aside, CDBG, State loans and grants

**Lead Agency:** Housing and Redevelopment Department

**Objectives and Time Frame:**

- Annually monitor the at-risk status of Seascapes Village and contact property owner for intention to convert to market-rate housing.
- Ensure that the tenants receive proper notification.
- Assist tenants to receive special Section 8 vouchers set aside by HUD for tenants whose rent subsidies are terminated due to expiration of project-based Section 8 contracts.
- Contact nonprofit housing developers in 2008 to solicit interest in acquiring and managing at-risk housing projects.

**Housing Opportunities**

A healthy, sustainable community relies on its diversity and its ability to maintain balance among different groups. The City encourages the production of new housing units that offer a wide range of housing types to meet the varied needs of its diverse population. A balanced inventory of housing in terms of unit type (e.g., single-family, apartment, condominium, etc.), cost, and architectural style will allow the City to fulfill a variety of housing needs.

**Goal 2:** New housing developed with diversity of types, prices, tenures, densities, and locations, and in sufficient quantity to meet the demand of anticipated City and regional growth.

**Policy 2.1:** Ensure sufficient developable acreage in all residential densities to provide varied housing types for households in all economic segments.

**Policy 2.2:** Allow development of sufficient new housing to meet Carlsbad's share of the regional housing need for 2005-2010 as determined by SANDAG and consistent with this Housing Element.

**Policy 2.3:** Identify, monitor, record, and report data on housing units constructed, converted, and demolished in the Coastal Zone along with information regarding whether these units are affordable to lower and moderate income households pursuant to State law.

**Policy 2.4:** Ensure that housing construction achieved through the use of modified codes and standards while retaining quality design and architecture.

**Policy 2.5:** Provide alternative housing environments by encouraging adaptive reuse of older commercial or industrial buildings.

**Policy 2.6:** Encourage increased integration of housing with nonresidential development where appropriate.

**Policy 2.7:** Encourage the use of innovative techniques and designs to promote energy conservation in residential development.

### Program 2.1: Adequate Sites

The City will continue to monitor the absorption of residential acreage in all densities and, if needed, recommend the creation of additional residential acreage at densities sufficient to meet the City's housing need for current and future residents. Any such actions shall be undertaken only where consistent with the Growth Management Plan.

- In order to ensure that adequate residential acreage at appropriate densities is available to meet the City's Regional Housing Needs Assessment (RHNA) the City will implement the following objectives:
- The City shall process a general plan amendment(s) to redesignate a minimum net acreage of each site in **Table 6-1** to RH and require that the redesignated sites be developed at a minimum density of 20 units per acre. As part of this program, the City shall also process all necessary amendments to the Zoning Ordinance and other planning documents, such as master or specific plans.

**Table 6-1**  
**General Plan Amendment (RH): Ponto and Quarry Creek**

Property	APN	Approximate Minimum Acres to be Redesignated to RH	Density Yield
Ponto	216-140-17	6.4	128
Quarry Creek	Portions of 167-040-21	15.0	300
Commercial Mixed Use Ponto	Portion of 216-140-18	2.8	28

- The City shall process a general plan amendment(s) to redesignate a minimum net acreage of each site in **Table 6-2** to RMH and require that the redesignated site be developed at a minimum density of 12 units per acre. As part of this program, the City shall also process all necessary amendments to the Zoning Ordinance and other planning documents, such as master or specific plans.

**Table 6-2**  
**General Plan Amendment (RMH): Quarry Creek**

<b>Property</b>	<b>APN</b>	<b>Approximate Minimum Acres to be Re-designated to RMH</b>	<b>Density Yield</b>
Quarry Creek	Portions of 167-040-21	17	200

- The City shall process general plan amendments to establish minimum densities of 12 units per acre and 20 units per acre for the RMH and RH land use designations, respectively, except for those RH designated properties in the Beach Area Overlay Zone.
- Residential projects and mixed use projects with residential components shall be developed at minimum densities equal to 80% of the maximum of the density range. For land use districts 1 - 4 (density range of 15 - 35 units per acre), 80% shall be 28 units per acre. For land use districts 5 - 9 (density range of 15 - 23 units per acre), 80% shall be 18 units per acre. Furthermore, the City shall approve modifications to development standards of the Carlsbad Village Redevelopment Master Plan and Design Manual if a project satisfactorily demonstrates as determined by the City that such modifications are necessary to achieve the minimum densities.
- The City shall process amendments to the general plan and zoning ordinance and process other planning documents as necessary to establish and permit the minimum densities, areas, and land uses as described in Section 3 and specified in Tables 3-4, 3-6 and 3-9 for the Barrio Area.
- The City shall amend its zoning ordinance, general plan, and other land use documents as necessary to permit residential in a mixed use format on shopping center sites and commercial areas with a General Plan designations of "CL" and "R" and zoning designations of "C-L," "C-1" and "C-2," and/or other general plan and zoning designations as appropriate. Mixed use residential on shopping center and commercial sites shall be at a minimum density of 20 units per acre.
- The City will encourage the consolidation of small parcels in order to facilitate larger-scale developments. Specifically, the City will make available an inventory of vacant and underutilized properties to interested developers, market infill and redevelopment opportunities throughout the City, particularly in the Village Redevelopment Area and proposed Barrio Area, and meet with developers to identify and discuss potential project sites.

For the Barrio Area, incentives shall be developed to encourage the consolidation of parcels and thus the feasibility of affordable housing.

These incentives shall include increased density and other standards modifications.

To facilitate development in the Village Redevelopment Area, modification of standards (including increased density) are permitted for affordable housing, "green" buildings, and projects which meet the goals and objectives of the Village (which include residential and mixed use developments). In addition, the City offers offsets to assist in the development of affordable housing citywide. Offsets include concessions or assistance including, but not limited to, direct financial assistance, density increases, standards modifications, or any other financial, land use, or regulatory concession which would result in an identifiable cost reduction. The City will also encourage lot consolidation by assisting in site identification.

**Funding:** Departmental budget

**Lead Agency:** Housing and Redevelopment Department, Planning Department

**Objectives and Time Frame:**

- Provide adequate residential sites to ensure compliance with the adequate sites requirements of AB 2348 for meeting the Regional Housing Needs Assessment (RHNA) for the 2005-2010 planning period.
- Amendments to the general plan, zoning ordinance, and other land use documents necessary to effectuate the density changes and other Program components above shall be implemented by October 2009, except for Quarry Creek.
- Since they require extensive legislative and environmental actions (e.g., preparation and adoption of a master plan, Local Facilities Management Plan, and environmental impact report) general plan and zoning amendments for Quarry Creek shall be implemented by May 2010.

**Program 2.2: Flexibility in Development Standards**

The Planning Department, in its review of development applications, may recommend waiving or modifying certain development standards, or propose changes to the Municipal Code to encourage the development of low and moderate income housing.

**Funding:** Department budget

**Lead Agency:** Planning Department

**Objectives and Time Frame:**

- Continue to offer flexibility in development standards to facilitate the development of lower and moderate income households. This shall include consideration of making offsets available to developers when necessary to enable residential projects to provide a preferable project type or affordability in excess of the requirements of Municipal Code Chapter 21.85, Inclusionary Housing. As defined in Chapter 21.85,



offsets may include but are not limited to density increases on any residential site.

- Process amendments to its Planned Unit Development Ordinance, Parking Ordinance and Beach Area Overlay Zone and the Village Master Plan and Design Manual to modify development standards to enable the achievement of higher density residential projects by the end of 2007 (Note: These amendments were adopted in early or late 2007 and are now pending Coastal Commission approval, which is expected in 2009).
- Periodically review the Municipal Code and recommend changes that would enhance the feasibility of affordable housing, while maintaining the quality of housing.

### **Program 2.3: Mixed Use**

The City will encourage mixed-use developments that include a residential component. Major commercial centers should incorporate, where appropriate, mixed commercial/residential uses. Major industrial/office centers, where not precluded by environmental and safety considerations, should incorporate mixed industrial/office/residential uses.

- As described in Program 2.1, the City shall amend the zoning ordinance and other necessary land use documents to permit residential mixed use at 20 units per acre on shopping center sites and commercial areas.

**Funding:** Departmental budget

**Lead Agency:** Planning Department

**Objectives and Time Frame:**

- Periodically review development standards and incentives that would encourage mixed-use developments.
- Identify areas and properties with potential for mixed-use development and provide information to interested developers.

### **Program 2.4: Energy Conservation**

The City of Carlsbad has established requirements, programs, and actions to improve household energy efficiency, promote sustainability, and lower utility costs.

- Enforce California building and subdivision requirements by requiring compliance with state energy efficiency standards (including adoption of the California Energy Code, 2007 Edition) and state Subdivision Map Act energy conservation provisions (Government Code section 66473.1). This latter code section requires subdivision design to provide future homes with passive or natural heating opportunities to the extent feasible through, for example, lot orientation.

- Encourage solar water heating by requiring new residential construction (ownership dwelling units only) to pre-plumb to accommodate solar hot water systems. This requirement has been in effect since 1981.
- Promote and participate in regional water conservation programs that allow Carlsbad Municipal Water District (CMWD) residents to receive rebates for water efficient clothes washing machines and toilets, free on-site water use surveys, and vouchers for weather-based irrigation controllers. The City publicizes these programs on its website, [www.carlsbadca.gov/water/wdtips.html](http://www.carlsbadca.gov/water/wdtips.html). CMWD serves approximately 75 percent of the City.

CMWD is also a signatory to the California Urban Water Conservation Council Memorandum of Understanding ("MOU"). Signatories to the MOU implement 14 Best Management Practices that have received a consensus among water agencies and conservation advocates as the best and most realistic methods to produce significant water savings from conservation.

In 1991, Carlsbad adopted a five-phase Recycled Water Master Plan designed to save potable water. The result is that CMWD has the most aggressive water recycling program in the region when measured in terms of percent of supply derived from recycled water. In its 2005 Urban Water Management Plan, CMWD estimates that in 2020 seven percent of the water needs of the area it serves will be met by conservation, 21 percent by recycled water usage, and 72 percent by desalinated water.

- In the Village Redevelopment Area, encourage energy conservation and higher density development by the modification of development standards as necessary to:
  - Enable developments to qualify for silver level or higher LEED (Leadership in Energy & Environmental Design) Certification, or a comparable green building rating, and to maintain the financial feasibility of the development with such certification.
  - Achieve densities at or above the minimum required if the applicant can provide acceptable evidence that application of the development standards precludes development at such densities.

Modifications may include but are not limited to changes to density, parking standards, building setbacks and height, and open space.

- Facilitate resource conservation for all households by making available through a competitive process Community Development Block Grants to non-profit organizations that could use such funds to replace windows,

- plumbing fixtures, and other physical improvements in lower-income neighborhoods, shelters, and transitional housing.
- Per General Plan policy, reduce fossil fuel consumption and pollution and improve residents' health by requiring:
    - New development to provide pedestrian and bike linkages, when feasible, which connect with nearby community centers, parks, school, and other points of interest and major transportation corridors.
    - Multi-family uses to locate near commercial centers, employment centers, and major transportation corridors.
  - Designate "smart growth" areas in the City to help implement the San Diego Association of Governments Regional Comprehensive Plan vision for compact, sustainable growth.
  - Per the City's Growth Management Program:
    - Facilitate development of higher density, affordable, and compact development by allowing withdrawals from the City's Excess Dwelling Unit Bank (see Section 4 for further details) only for certain qualifying projects; these projects include transit-oriented/smart growth developments, senior and affordable housing, and density bonus requests.
    - Encourage infill development in urbanized areas before allowing extensions of public facilities and improvements to areas which have yet to be urbanized.

**Funding:** Departmental budget/General Fund

**Lead Agency:** Planning Department; Building Department

**Objectives and Time Frame:**

- Continue to pursue energy efficient development and rehabilitation of residential units through incentives, funding assistance, and City policies.
- Continue to explore additional incentives to facilitate energy efficient development.

**Goal 3:** Sufficient new, affordable housing opportunities in all quadrants of the City to meet the needs of current lower and moderate income households and those with special needs, and a fair share proportion of future lower and moderate income households.

**Policy 3.1:** Require affordability for lower income households of a minimum of 15 percent of all units approved for any master plan community, residential specific plan, or qualified subdivision (as defined in the Inclusionary Housing Ordinance). For projects that are required to include 10 or more units affordable to lower income households, at least 10 percent of the lower income units should have three or more bedrooms (lower income senior housing projects exempt).

**Policy 3.2:** Annually set priorities for future lower-income and special housing needs. The priorities will be set through the Consolidated Annual Plan which is prepared by the Housing and Redevelopment Department with assistance from the Planning Department and approved by the City Council. Priority given to the housing needs for lower-income subgroups (i.e., handicapped, seniors, large-family, very-low income) will be utilized for preference in the guidance of new housing constructed by the private sector and for the use of City funds for construction or assistance to low income projects.

**Policy 3.3:** Accommodate General Plan Amendments to increase residential densities on all PC and LC zoned properties and all other residentially designated properties to facilitate the development of affordable housing. Any proposed General Plan Amendment request to increase site densities for purposes of providing affordable housing, will be evaluated relative to the proposal's compatibility with adjacent land uses and proximity to employment opportunities, urban services or major roads. These General Plan Land Use designation changes will enable up to 23 dwelling units per acre, and, in conjunction with the City's Density Bonus Ordinance could potentially increase the density by 35 percent. Through the City's Affordable Housing Program (i.e., the Inclusionary Housing Ordinance), density increases in excess of 35 percent may also be realized.

**Policy 3.4:** Adhere to Council Policy Statement 43 when considering allocation of units from the Excess Dwelling Unit Bank. Amended on December 17, 2002, Policy Statement 43 authorized withdrawals from the banks to be utilized in the following "qualifying" projects anywhere within the city:

1. Projects that include a request for a density bonus;
2. Housing for lower or moderate-income families;
3. Senior housing;
4. Housing located within either of the city's two, official, redevelopment areas;
5. Transit-oriented/"smart growth" developments;
6. Conversions of general plan land use designations from non-residential to residential; and
7. Single-family developments, in infill-areas, under stipulated conditions.

**Policy 3.5:** Address the unmet housing needs of the community through new development and housing that is set aside for lower and moderate income households consistent with priorities set by the Redevelopment and Housing Department in collaboration with the Planning Department, as set forth in the City's Consolidated Plan.

**Policy 3.6:** Encourage the development of an adequate number of housing units suitably sized to meet the needs of lower and moderate income larger households.

**Policy 3.7:** Ensure that incentive programs, such as density bonus programs and new development programs are compatible and consistent with the City's Growth Management Ordinance.

**Policy 3.8:** Maintain the Housing Trust fund to facilitate the construction and rehabilitation of affordable housing.

**Policy 3.9:** Consistent with State law, establish affordable housing development with priority for receiving water and sewer services when capacity and supply of such services become an issue.

### **Program 3.1: Inclusionary Housing Ordinance**

The City will continue to implement its Inclusionary Housing Ordinance that requires 15 percent of all residential units within any Master Plan/Specific Plan community or other qualified subdivision (currently seven units or more) be restricted and affordable to lower income households. This program requires an agreement between all residential developers subject to this inclusionary requirement and the City which stipulates:

- the number of required lower income inclusionary units;
- the designated sites for the location of the units;
- a phasing schedule for production of the units; and
- the term of affordability for the units.

For all subdivisions of fewer than seven units, payment of a fee in lieu of inclusionary units is permitted. The fee is based on a detailed study that calculated the difference in cost to produce a market rate rental unit versus a lower-income affordable unit. As of September 1, 2006, the in-lieu fee per market-rate dwelling unit was \$4,515. The fee amount may be modified by the City Council from time-to-time and is collected at the time of building permit issuance for the market rate units. The City will continue to utilize inclusionary in-lieu fees collected to assist in the development of affordable units.

The City will also continue to consider other in-lieu contributions allowed by the Inclusionary Housing Ordinance, such as an irrevocable offer to dedicate developable land.

**Funding:** Departmental budget

**Lead Agency:** Planning Department, Housing and Redevelopment Department

**Objectives and Time Frame:**

- Based on past trends and projects in pipeline, the City anticipates 4,060 new housing units between 2005 and 2010, potentially generating an inclusionary requirement of 609 units.
- Annually adjust the inclusionary housing in-lieu fee as necessary to reflect market conditions and ensure fees collected are adequate to facilitate the development of affordable units.

**Program 3.2: Excess Dwelling Unit Bank**

The City will continue to maintain, monitor and manage the Excess Dwelling Unit Bank, composed of "excess units" anticipated under the City's Growth Management Plan, but not utilized by developers in approved projects. The City will continue to make excess units available for inclusion in other projects using such tools as density transfers, density bonuses and changes to the General Plan land use designations per Council Policy Statement 43.

Based on analysis conducted in Section 4, Constraints and Mitigating Opportunities, the City has adequate excess dwelling units to accommodate the remaining RHNA of 2,395 units for lower and 1,171 units for moderate income households, which would require a withdraw of 2,830 units from the Excess Dwelling Unit Bank.

**Funding:** Departmental budget

**Lead Agency:** Planning Department

**Objectives and Time Frame:**

- Ensure adequate excess dwelling units are available to address the City's remaining lower income RHNA for the 2005-2010 period.

**Program 3.3: Density Bonus**

In 2004, the State adopted new density bonus provisions (SB 1818) that went into effect on January 1, 2005. Consistent with the new State law (Government Code sections 65913.4 and 65915), the City will continue to offer residential density bonuses as a means of encouraging affordable housing development. In exchange for setting aside a portion of the development as units affordable to lower and moderate income households, the City will grant a bonus over the otherwise allowed density, and up to three financial incentives or regulatory concessions. These units must remain affordable for a period of 30 years and each project must enter into an agreement with the City to be monitored by the Housing and Redevelopment Department for compliance.

The density bonus increases with the proportion of affordable units set aside and the depth of affordability (e.g. very low income versus low income, or moderate income). The maximum density bonus a developer can receive is 35 percent when a project provides 11 percent of the units for very low income households, 20 percent for low income households, or 40 percent for moderate income households.

Financial incentives and regulatory concessions may include but are not limited to: fee waivers, reduction or waiver of development standards, in-kind infrastructure improvements, an additional density bonus above the requirement, mixed use development, or other financial contributions.

**Funding:** Departmental budget, Housing Trust Fund, Redevelopment Housing Set-Aside

**Lead Agency:** Planning Department, Housing and Redevelopment Department

**Objectives and Time Frame:**

- Ensure that the City's new Density Bonus Ordinance is consistent with the Inclusionary Housing Ordinance.
- Encourage developers to take advantage of density bonus incentives.

**Program 3.4: City-Initiated Development**

The City, through the Housing and Redevelopment Department, will continue to work with private developers (both for-profit and non-profit) to create housing opportunities for low, very low and extremely low income households.

**Funding:** Redevelopment Housing Set-Aside, Housing Trust Fund, CDBG, and other Federal, State and local funding

**Lead Agency:** Planning Department, Housing and Redevelopment Department

**Objectives and Time Frame:**

- Create 70 city-initiated or non-inclusionary affordable housing units for lower income households between 2005 and 2010. (Note: The City considers this program already met through the construction in the current housing cycle of two non-inclusionary projects, Cassia Heights and Roosevelt Gardens. These projects provide 67 homes for lower income households as discussed in Section 3.)

**Program 3.5: Affordable Housing Incentives**

The City uses Redevelopment Housing Set-Aside Funds and Housing Trust Funds to offer a number of incentives to facilitate affordable housing development. Incentives may include:

- Payment of public facility fees;
- In-kind infrastructure improvements, including but not limited to street improvements, sewer improvements, other infrastructure improvements as needed;
- Priority processing, including accelerated plan-check process, for projects that do not require extensive engineering or environmental review; and
- Discretionary consideration of density increases above the maximum permitted by the General Plan through review and approval of a Site Development Plan (SDP).

**Funding:** Departmental budget, Redevelopment Tax Increment and Housing Set-Aside, CDBG

**Lead Agency:** Planning Department, Housing and Redevelopment Department, Finance Department

**Objectives and Time Frame:**

- Assist in the development of 235 affordable units between 2005 and 2010 (inclusive of units to be assisted under Program 3.4, City-Initiated Development, and Program 3.10, Senior Housing).

**Program 3.6: Land Banking**

The City will continue to implement a land banking program to acquire land suitable for development of housing affordable to lower and moderate income households. The Land Bank may accept contributions of land in-lieu of housing production required under an inclusionary requirement, surplus land from the City or other public entities, and land otherwise acquired by the City for its housing programs. This land would be used to reduce the land costs of producing lower and moderate income housing developed undertaken by the City or other parties.

The City has already identified a list of nonprofit developers active in the region. When a City-owned or acquired property is available, the City will solicit the participation of these nonprofits to develop affordable housing. Affordable Housing Funds will be made available to facilitate development and the City will assist in the entitlement process.

**Funding:** CDBG, Redevelopment Housing Set-Aside, Housing Trust Fund

**Lead Agency:** Community Development Major Service Area, including the Housing and Redevelopment Department

**Objectives and Time Frame:**

- Compile an inventory of surplus properties owned by the City and other public entities by June 2009 and update the inventory annually for potential acquisition by the City.
- Solicit nonprofit developers when city-owned or acquired property becomes available for affordable housing.
- Make available the City's Affordable Housing Trust Fund to nonprofit developers to help defray costs associated with construction and acquisition of affordable housing.
- Assist in the permit processing of affordable housing proposals by nonprofit developers.

**Program 3.7: Housing Trust Fund**

The City will continue to maintain the various monies reserved for affordable housing, and constituting the Housing Trust Fund, for the fiduciary administration of monies dedicated to the development, preservation and rehabilitation of housing in Carlsbad. The Trust Fund will be the repository of all collected in-lieu fees, impact fees, housing credits and related revenues targeted for proposed housing as well as other local, state and federal funds.

**Funding:** In-Lieu fees, real property transfer tax, and HOME/CDBG Housing Reserve, local, state and federal funds

**Lead Agency:** Housing and Redevelopment Department, Finance Department



**Objectives and Time Frame:**

- Actively pursue housing activities to timely encumber and disburse Housing Trust Fund, including the development of Robertson Ranch and Cantarini/Holly Springs, and the rehabilitation of Tyler Court between FY 2008/09 and FY 2011/12.

**Program 3.8: Section 8 Housing Choice Vouchers**

The Carlsbad Housing Authority will continue to operate the City's Section 8 Housing Choice Voucher program to provide rental assistance to very low income households.

**Funding:** Federal Section 8 funding

**Lead Agency:** Housing and Redevelopment Department

**Objectives and Time Frame:**

- Continue to provide rental assistance to approximately 700 extremely low and very low income households.

**Program 3.9: Mortgage Credit Certificates**

The City participates in the San Diego Regional Mortgage Credit Certificate (MCC) Program. By obtaining a MCC during escrow, a qualified homebuyer can qualify for an increased loan amount. The MCC entitles the homebuyer to take a federal income tax credit of 20 percent of the annual interest paid on the mortgage. This credit reduces the federal income taxes of the buyer, resulting in an increase in the buyer's net earnings.

**Funding:** County MCC allocations

**Lead Agency:** Housing and Redevelopment Department

**Objectives and Time Frame:**

- Continue to promote the MCC program with the objective of assisting two households annually.

**Program 3.10: Senior Housing**

The City will continue to encourage a wide variety of senior housing opportunities, especially for lower-income seniors with special needs, through the provision of financial assistance and regulatory incentives as specified in the City's Senior Housing Overlay zone. Projects assisted with these incentives will be subjected to the monitoring and reporting requirements to assure compliance with approved project conditions.

In addition, the City has sought and been granted Article 34 authority by its voters to produce 200 senior-only affordable housing units. The City would need to access its Article 34 authority only when it functions as the owner of the project, where the City owns more than 51 percent of the development.

**Funding:** Departmental budget, Housing Trust Fund, Redevelopment Housing Set-Aside, Private financing, state public financing

**Lead Agency:** Housing and Redevelopment Department, Planning Department

**Objectives and Time Frame:**

- Periodically review the Senior Housing Overlay provisions to expand housing opportunities for seniors.
- Provide information on incentives to interested developers.
- Work with senior housing developers and non-profit organizations to locate and construct 50 units of senior low-income housing between 2005 and 2010.

**Program 3.11: Housing for Persons with Disabilities**

The City will adopt an ordinance to establish a formal policy on offering reasonable accommodations to persons with disabilities with regard to the construction, rehabilitation, and improvement of housing. The ordinance will specify the types of requests that may be considered reasonable accommodation, the procedure and reviewing/approval bodies for the requests, and waivers that the City may offer to facilitate the development and rehabilitation of housing for persons with disabilities.

**Funding:** Departmental budget

**Lead Agency:** Planning Department, Building Department

**Objectives and Time Frame:**

- Adopt reasonable accommodation policy and remove the definition of family in the Zoning Ordinance by June 2009.

**Program 3.12: Housing for Large Families**

In those developments that are required to include 10 or more units affordable to lower-income households, at least 10 percent of the lower income units should have three or more bedrooms. This requirement does not pertain to lower-income senior housing projects.

**Funding:** Departmental budget

**Lead Agency:** Planning Department

**Objectives and Time Frame:**

- Continue to implement this requirement as part of the Inclusionary Housing Ordinance.

**Program 3.13: Farm Labor Housing**

Pursuant to State Employee Housing Act, the City permits by right employee housing for six or fewer in all residential zones where a single-family residence is permitted. Farm labor housing for 12 persons in a group quarters or 12 units intended for families is permitted by right on properties where agricultural uses are permitted. In 2004, the City amended the Zoning Code to conditionally

permit farm labor housing for more than 12 persons in a group quarters or 12 units/spaces for households in the E-A, O, C-1, C-2, C-T, C-M, M, P-M, P-U, O-S, C-F and C-L zones.

**Funding:** State and Federal grants and loans, CDBG, Affordable Housing Trust Fund, Agricultural Conversion Mitigation Fee Fund

**Lead Agency:** Community Development Major Service Area; Planning Department

**Objectives and Time Frame:**

- Continue to work with, and assist, local community groups, social welfare agencies, farmland owners, and other interested parties to provide shelter for permanent and migrant farmworkers in the City, including notifying these parties of the grant application period for Agricultural Mitigation Conversion Fees, which may be used to provide farmworker housing.
- Coordinate with other regional and local programs to address farm labor housing needs in a cooperative, regional approach.
- Amend the Zoning Ordinance to comply with Health and Safety Code Section 17021.6, permitting by right farmworker housing of no more than 36 beds in a group quarters or 12 units or spaces designed for use by a single-family or household on properties where agricultural uses are permitted by June 2009.

**Program 3.14: Housing for the Homeless**

Carlsbad will continue to facilitate the acquisition, for lease or sale, of suitable sites for emergency shelters and transitional housing for the homeless population. This facilitation will include:

- Participating in a regional or sub-regional summit(s) including decision-makers from North County jurisdictions and SANDAG for the purposes of coordinating efforts and resources to address homelessness;
- Assisting local non-profits and charitable organizations in securing state and federal funding for the acquisition, construction and management of shelters;
- Continuing to provide funding for local and sub-regional homeless service providers that operate temporary and emergency shelters; and
- Identifying a specific zoning district in the City where emergency shelters will be permitted by right, with the following criteria:
  - The appropriate zoning district will offer easy access to public transportation and supportive services.
  - The zoning district should also contain adequate vacant and underutilized sites or building that can be converted to accommodate emergency shelters.

- Besides being subject to the same development standards applied to other development in the specified zoning district, the City will establish objective development standards to regulate the following: 1) the maximum number of beds/persons permitted to be served nightly; 2) off-street parking based on demonstrated need, but not to exceed parking requirements for other residential or commercial uses in the same zone; 3) The size/location of exterior and interior onsite waiting and client intake areas; 4) The provision of onsite management; 5) The proximity of other emergency shelters, provided that emergency shelters are not required to be more than 300 feet apart; 6) The length of stay; 7) Lighting; and 8) Security during hours that the emergency shelter is in operation.

**Funding:** Housing Trust Fund, Redevelopment Housing Set-Aside, CDBG

**Lead Agency:** Community Development Major Service Area; Planning Department

**Objectives and Time Frame:**

- Provide funding for homeless shelter providers through the annual Action Plan process for the use of CDBG funds.
- Participate annually and financially in regional programs, such as the North County Regional Winter Shelter Program, which utilize shelters such as the La Posada de Guadalupe men's homeless/farmworker shelter in Carlsbad.
- Amend the Zoning Ordinance to permit emergency shelters by right in the Planned Industrial (P-M) and Industrial (M) zones within one year of the adoption of the 2005-2010 Housing Element (i.e. by September 2009). In addition, and if necessary and applicable, a property's Site Development Plan, as imposed by its Qualified Development Overlay ("Q") Zone, will be amended to permit emergency shelters by right within the time frame specified.

### **Program 3.15: Transitional and Supportive Housing**

Currently, the City's Zoning Ordinance does not address the provision of transitional housing and supportive housing. The City will amend the Zoning Ordinance to clearly define transitional housing and supportive housing. When such housing is developed as group quarters, they should be permitted as residential care facilities. When operated as regular multi-family rental housing, transitional and supportive housing should be permitted by right as a multi-family residential use in multi-family zones.

**Funding:** None Required

**Lead Agency:** Planning Department

**Objectives and Time Frame:**

- Amend Zoning Ordinance to address transitional housing and supportive housing by June 2009.

**Program 3.16: Supportive Services for Homeless and Special Needs Groups**

The City will continue to provide CDBG funds to community, social welfare, non-profit and other charitable groups that provide services for those with special needs in the North County area.

Furthermore, the City will work with agencies and organizations that receive CDBG funds to offer a City Referral Service for homeless shelter and other supportive services.

**Funding:** CDBG

**Lead Agency:** Housing and Redevelopment Department

**Objectives and Time Frame:**

- Provide funding for supportive service providers through the annual Action Plan process for the use of CDBG funds.
- Continue to operate the City's 211 Referral Service.

**Program 3.17: Alternative Housing**

The City will continue to implement its Second Dwelling Unit Ordinance (Section 21.10.015 of the Carlsbad Municipal Code) and will continue to consider alternative types of housing, such as hotels and managed living units.

**Funding:** Federal, state, and local loans and grants, private funds

**Lead Agency:** Planning Department, Housing and Redevelopment Department

**Objectives and Time Frame:**

- Continue to monitor underutilized properties and sites in the community that have potential for alternative housing options and offer the information to interested developers.
- Adopt an ordinance by September 2009 to conditionally permit and establish standards for managed living units in certain land use districts of the Village Redevelopment Area.

**Program 3.18: Military and Student Referrals**

The City will assure that information on the availability of assisted or below-market housing is provided to all lower-income and special needs groups. The Housing and Redevelopment Agency will provide information to local military and student housing offices of the availability of low-income housing in Carlsbad.

**Funding:** Departmental budget

**Lead Agency:** Housing and Redevelopment Agency

**Objectives and Time Frame:**

- Periodically update the City's inventory of assisted or below-market housing and make the information available on print and on the City's website.

**Program 3.19: Coastal Housing Monitoring**

As a function of the building process, the City will monitor and record Coastal Zone housing data including, but not limited to, the following:

- 1) The number of new housing units approved for construction within the coastal zone after January 1, 1982.
- 2) The number of housing units for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, required to be provided in new housing developments within the coastal zone.
- 3) The number of existing residential dwelling units occupied by persons and families of low or moderate income that are authorized to be demolished or converted in the coastal zone pursuant to Section 65590 of the Government Code.
- 4) The number of residential dwelling units occupied by persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, that are required for replacement or authorized to be converted or demolished as identified above. The location of the replacement units, either onsite, elsewhere within the City's coastal zone, or within three miles of the coastal zone in the City, shall be designated in the review.

**Funding:** Departmental budget

**Lead Agency:** Community Development Major Service Area

**Objectives and Time Frame:**

- Continue to maintain records and prepare a summary report annually.

**Program 3.20: Housing Element Annual Report**

To retain the Housing Element as a viable policy document, the Planning Department will undertake an annual review of the Housing Element and schedule an amendment if required. As required, staff also monitors the City's progress in implementing the Housing Element and prepares corresponding reports to the City Council, SANDAG, and California Department of Housing and Community Development annually.

**Funding:** Departmental Budget

**Lead Agency:** Planning Department

**Objectives and Time Frame:**

- Prepare Annual Housing Production Report and report on implementation of the General Plan, including the Housing Element,.
- Submit annual report on implementation of the General Plan, including the Housing Element and Annual Housing Production Report, to the City Council, HCD, and other government agencies as necessary.

**Fair Housing**

Equal access to housing is a fundamental right protected by both State and Federal laws. The City of Carlsbad is committed to fostering a housing environment in which housing opportunities are available and open to all.

**Goal 4:** All Carlsbad housing opportunities (ownership and rental, market and assisted) offered in conformance with open housing policies and free of discriminatory practices.

**Policy 4.1:** Support enforcement of fair housing laws prohibiting arbitrary discrimination in the development, financing, rental, or sale of housing.

**Policy 4.2:** Educate residents and landlords on fair housing laws and practices through the distribution of written materials and public presentations.

**Policy 4.3:** Contract with a fair housing service provider to monitor and respond to complaints of discrimination in housing.

**Policy 4.4:** Monitor the lending practices of local lending institutions for compliance under the Community Reinvestment Act to evaluate lending activities and goals towards meeting the community's credit needs. Reevaluate relationship with lending institutions that are substantially deficient in their CRA ratings.

**Policy 4.5:** Periodically review City policies, ordinances, and development standards, and modify, as necessary, to accommodate housing for persons with disabilities.

**Program 4.1: Fair Housing Services**

With assistance from outside fair housing agencies, the City will continue to offer fair housing services to its residents and property owners. Services include:

- Distributing educational materials to property owners, apartment managers, and tenants;
- Making public announcements via different media (e.g. newspaper ads and public service announcements at local radio and television channels);
- Conducting public presentations with different community groups;

- Monitoring and responding to complaints of discrimination (i.e. intaking, investigation of complaints, and resolution); and
- Referring services to appropriate agencies.

**Funding:** CDBG, Section 8 and Redevelopment Administration funds

**Lead Agency:** Housing and Redevelopment Department

**Objectives and Time Frame:**

- Annually through the Action Plan process allocate funding for fair housing services.
- Participate in regional efforts to mitigate impediments to fair housing choice.

## B. Quantified Objectives by Income

The following **Table 6-3** summarizes the City's quantified objectives for the 2005-2010 period by income group.

**Table 6-3**  
**Quantified Objectives: 2005-2010**

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
RHNA <sup>1</sup>	903	1,019	1,460	1,583	3,411	8,376
Units to be Constructed <sup>2</sup>	32	238	574	200	3,016	4,060
Units to be Rehabilitated	0	50	25	0	0	75
Units to be Conserved	0	42	0	0	0	106
Households to be Assisted <sup>3</sup>	280	420	0	10	0	710
Total	312	750	599	210	3,016	4,887

Notes:

<sup>1</sup> The City has a RHNA allocation of 1,922 very low income units (inclusive of extremely low income units). Pursuant to new State law, the City must project the number of extremely low income housing needs based on Census income distribution or assume 50 percent of the very low income units are extremely low. According to CHAS data (based on Census data), the City had 12.6 percent very low income households (5.9 percent extremely low income and 6.7 percent very low income). Therefore the City's RHNA of 1,922 very low income units are split into 903 extremely low and 1,019 very low income units according to the same proportions.

<sup>2</sup> Affordable units include 235 City-initiated affordable housing (Program 3.5, Affordable Housing Incentives) and 609 anticipated inclusionary housing units (Program 3.1, Inclusionary Housing). Income distribution of these anticipated lower income units is based on the same proportions realized by projects approved and under construction (Table 3-2). Specifically, 32 extremely low income units from Mariposa Apartments are included. A general assumption of 200 moderate income units is used.

<sup>3</sup> 40 percent of the Section 8 voucher holders are assumed to be extremely low income households.